

Page Denied

11 December 1985

MEMORANDUM FOR: Deputy Director of Personnel for Employee
Benefits and Services

FROM:



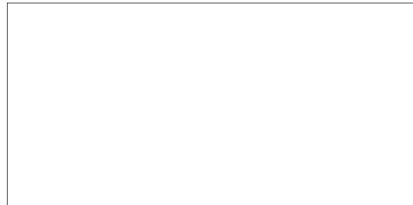
Chief, Insurance Operations Division

SUBJECT:

Production During Overtime Hours

1. You had asked how many claims are produced during overtime. For the period, 2 October through 7 December, 3,944 claims have been processed in 568 hours. That is an average of 6.9 claims per hour as opposed to an average of 4 claims per hour which is produced during the work day.

2. Because there are no interruptions, adjudicators can process 50 or more claims on Saturday.



ADMINISTRATIVE-INTERNAL USE ONLY

SECRET

INFORMATION TO BE PROVIDED TO D/PERS ON RETIREMENT

1. Does the Secretary of State have the same authorities under the Foreign Service Act as the Director does under CIARDS?

Specifically:

- Does the same authority exist to involuntarily retire an employee at age 50 or earlier.

The Foreign Service operates on an "up or out" system. When an employee exceeds the maximum time in class (grade) i.e. is not promoted in a specified time frame, the individual must be retired. If not eligible for an annuity, a gratuity of 1/12 of a year's salary for each year of service.

There is also a retirement based on relative performance. If a promotion board determines the performance of an individual is substandard, an administrative review is conducted within State and if the poor performance is substantiated, the employee can be retired in which case the gratuity rule also applies.

- Does the same authority exist to deny voluntary retirement when employee is eligible for retirement.

Yes. Provisions basically the same as CIARDS.

- Does the authority exist to separate an employee without retirement benefits.

No. An employee may be terminated for cause as will promote the efficiency of the service. However, the employee must be granted a hearing before the Foreign Service Grievance Board before any final action can be taken.

2. Provide statistics on retirement under various categories such as: voluntary, involuntary, disability, death, and any others. (Attachment 1)
3. Statistics on retirement ages under CIARDS and then broken down by career service. (Attachment 2)
4. Average age of those serving overseas. Age 39 overall; by career service:

<u>CS</u>	<u>Number</u>	<u>Age</u>
D	<div style="border: 1px solid black; width: 100px; height: 100px;"></div>	40
E		33
I		37
M		37
R		39

25X1

SECRET

5. The average age of those serving in the Foreign Service retirement system. Data not readily available-attempting to obtain from State Dept.
6. Provide the retirement chart showing why there is a 50/50 retirement rate between CIARDS and Civil Service versus a 20/80 mix between these two systems. If possible this should be presented in a bar graph versus a pie chart. (Attachment 3)
7. Some chart depicting the Foreign Service retirement data. (Attachment 4)
8. Are secretaries included in Foreign Service Retirement System. Answer Yes.
9. Vignettes Domestic Service. (Attachment 5)

SECRET

Sanitized Copy Approved for Release 2011/01/13 : CIA-RDP89-00066R000900050005-6

Page Denied

Next 1 Page(s) In Document Denied

Attachment 2

FY-1985 CIARDS RETIREES

AVERAGE AGE, YEARS OVERSEAS SERVICE, AND YEARS FEDERAL SERVICE

<u>Category</u>	<u>Average Age</u>	<u>Average Years Overseas Service</u>	<u>Average Years Federal Service</u>
DDO	56	8.2	33
OPS Officer	56	10.3	33
Other "D" Careerists	56	6.7	33
DDA	54	7.9	32
MG&M	57	5.6	35
COMMO	51	10.3	30
Other "M" Careerists	56	6.3	33
DDI	54	5.6	27
DDS&T	55	6.5	31
DCI	<u>56</u>	<u>6.1</u>	<u>31</u>
TOTAL CIARDS	55	7.7	32.5

25X1

Average Age of Retirees

<u>Year</u> ¹	<u>CIARDS</u>	<u>Civil Service</u>	<u>Combined</u>
1967	55.1	57.1	57.0
1968	54.3	56.6	56.5
1969	54.4	57.3	55.9
1970	54.9	56.7	56.3
1971	53.2	56.5	55.1
1972	52.7	55.9	54.6
1973	53.3	55.3	54.3
1974	51.7	54.5	53.3
1975	51.8	54.3	52.8
1976	51.0	53.9	52.2
1977	52.0	55.0	53.2
1978	51.4	54.6	52.6
1979	52.3	54.7	53.4
1980	53.1	57.1	54.8
1981	53.3	57.5	55.3
1982	52.8	56.9	54.7
1983	53.6	57.8	55.6
1984	54.1	58.1	56.2
1985	54.5	58.0	56.4

1. Ending 30 June through 1978, 30 September thereafter.

AGENCY PARTICIPATION IN RETIREMENT SYSTEMS

CIARDS Participation: 20% or 50%?

While only 20% of our employees participate in CIARDS, it is true that over half of our "full career employees" (those who remain working for the Agency until retirement) will retire under CIARDS. This is explained by the fact that up to 25% of current Agency CSRS employees can be expected to qualify for CIARDS and nearly 50% of those remaining will separate before achieving retirement eligibility under CSRS. This suggests that only 40% of those employees currently participating in the Civil Service Retirement System will retire under that system while working for the Agency.

By contrast, 95% of our CIARDS qualified participants stay on to retire under CIARDS (see chart 1). Consequently, we can expect at least as many retirements under CIARDS as under CSRS.

Current Experience:

The stability of this projection is demonstrated by our current experience. Although there are 4 times as many Agency employees participating in CSRS, there are actually 50% more CIARDS participants eligible to retire (see chart 2). Since roughly 20% of the CIARDS participants eligible to retire in a given year actually do so (vs. 30% of eligible CSRS participants), the numbers actually retiring each year from the two systems are comparable.

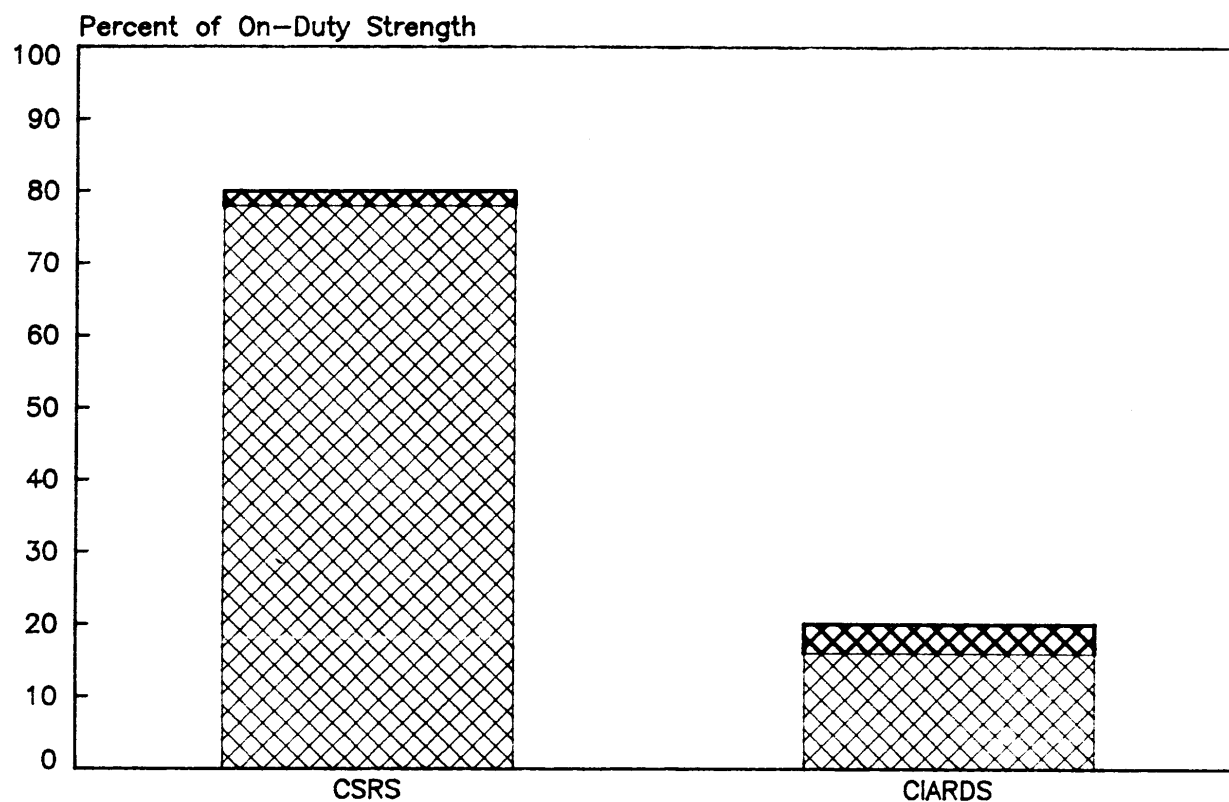
Summary:

In the final analysis it appears that 1/3 of our employees ultimately retire under CIARDS, 1/3 under CSRS, and the remaining third separate from the Agency prior to retirement (see chart 3). This underlying reality is hidden by the current CIARDS participation level of 20% which is artificially small because of the time required to qualify for CIARDS.

AGENCY RETIREMENT ELIGIBILITY as of March 1985

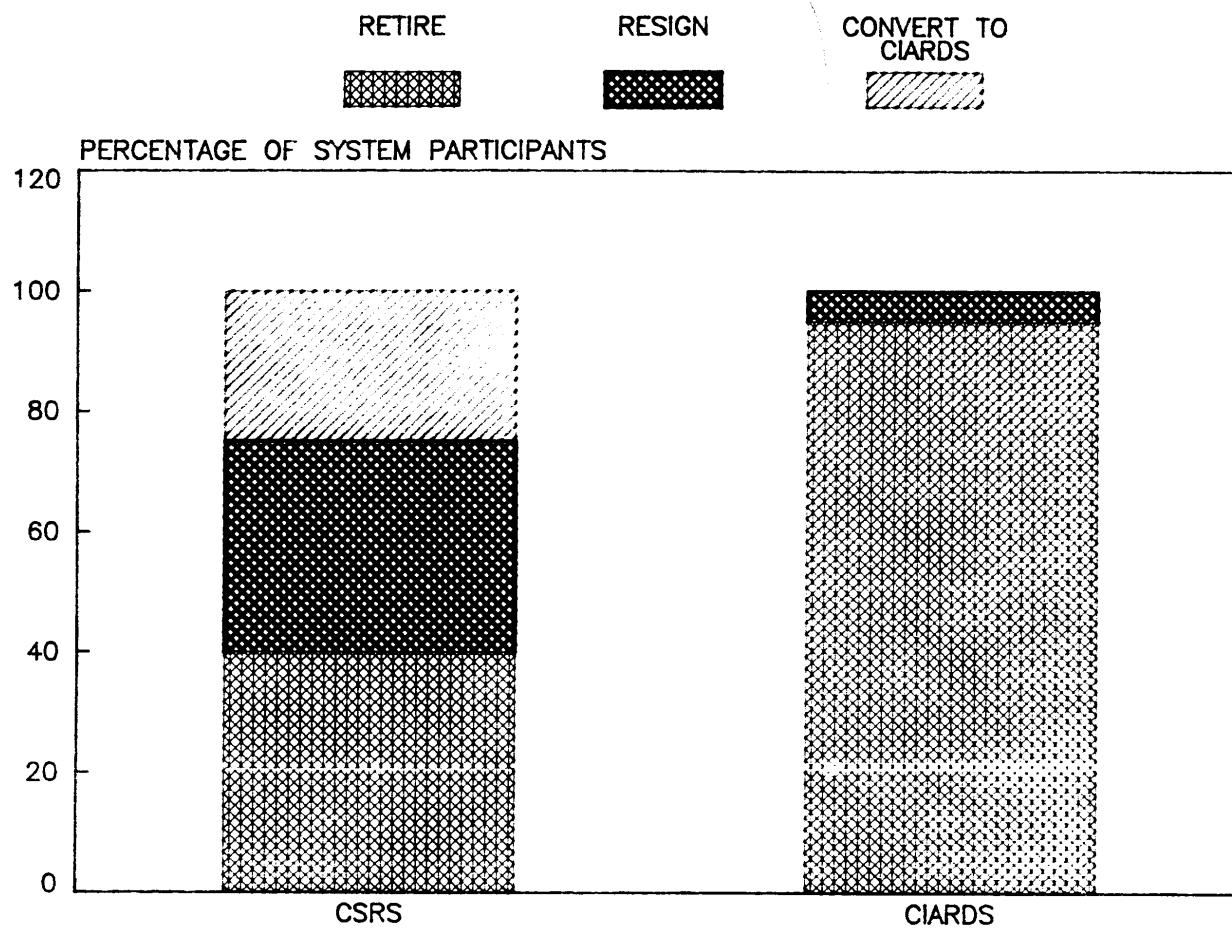
Ineligible

Eligible



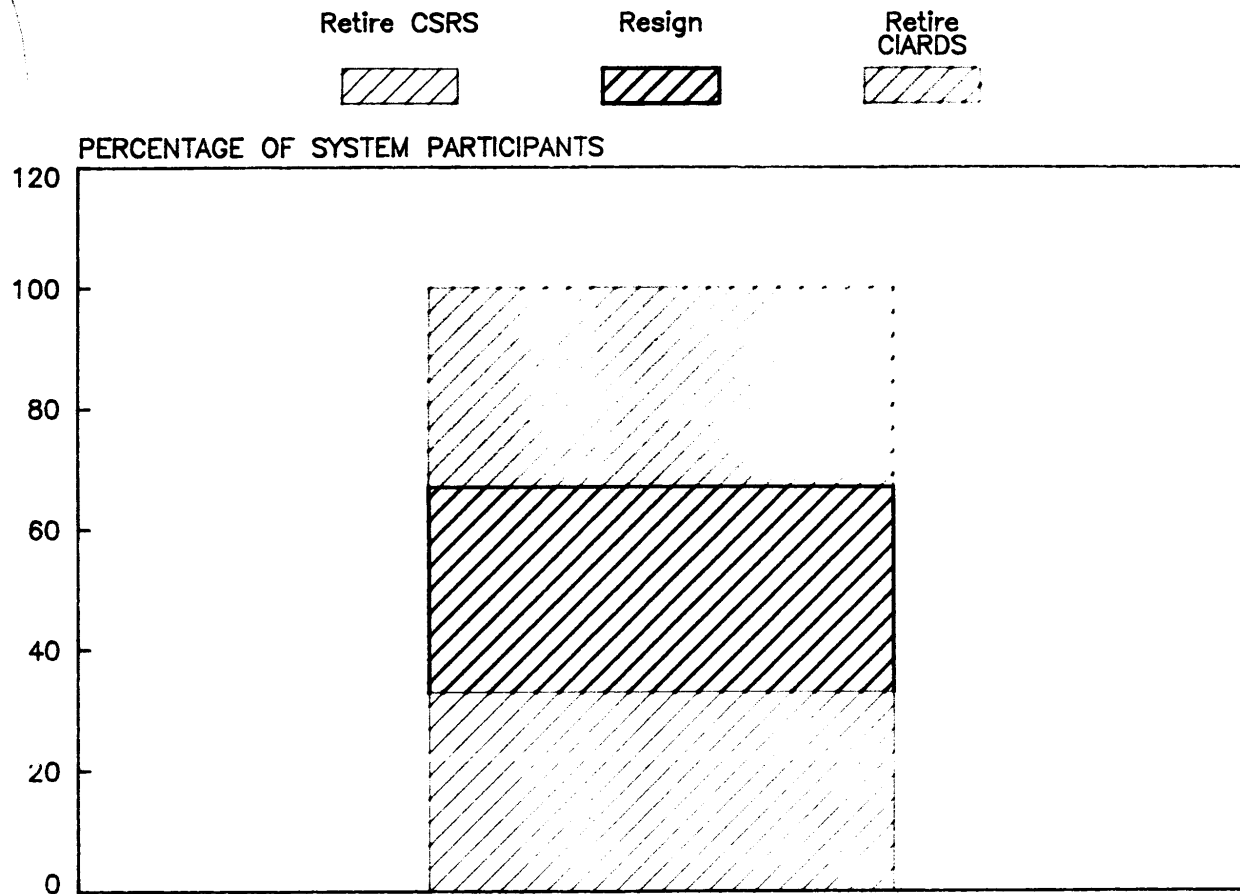
Retirement System

LONG TERM SEPARATION PROJECTIONS



CURRENT RETIREMENT SYSTEM

LONG TERM SEPARATION PROJECTIONS



Attachment 4

COMPARISON OF CURRENT RETIREMENT SYSTEMS

	<u>CSRS</u>	<u>CIARDS</u>	<u>FOREIGN SERVICE</u>	<u>MILITARY</u>	<u>Law Enforcement/ Firefighters, Air Traffic Controllers (ATC)</u>
Retirement Eligibility	Age 55 w/30 Yrs Service Age 60 2/20 Yrs Service Age 62 w/5 Yrs Service	Age 50/w 20 Yrs service	Age 50/w 20 yrs service	Any age w/20 Yrs Service	Age 50/w 20 Yrs Service. Also ATC-Any age with 25 Yrs Service.
Retirement Benefit	1.5% x 1st Five Yrs Ser. 1.75% x 2nd Five Yrs Ser. 2.0% x All Yrs over 10	2% x All Yrs. Service	2% x All Yrs Service	2.5% x All Yrs Service (Also covered by Social Security.)	2.5% x 1st 20 Yrs. 2 % x All Yrs over 20. ATC: Regular CSRS formula-but not less than 50% of High -3.
Salary Base	High - 3	High - 3	High - 3	Before 9/8/80-Termina- tion salary; after 9/8/80 -- High - 3.	High - 3
Maximum Benefit	80%	70%	70%	75%	80%
COLA	Full CPI	Full CPI	Full CPI	Full CPI	Full CPI
Disability	Same as non-disability with guaranteed mini- mum of the lesser of (1) 40% of high-3 or (2) annuity based on service projected to age 60.	Same as CSRS	Same as CSRS	Up to 75% of base pay. (Also covered by Social Security)	Same as CSRS
Employee Contribution	7%	7%	7%	None to Retirement Annuity. 5.7% to Social Security.	7.5%

FACT SHEET

FOREIGN SERVICE RETIREMENT AND DISABILITY SYSTEM

PARTICIPATION: Foreign Service employees of the Department of State (9424), Agency for International Development (2045), United States Information Agency (1800), the Department of Agriculture (285) and the Department of Commerce (137).

BENEFITS: Immediate annuity for mandatory retirement (including time-in-class) for employees at top grades, and for voluntary retirements after age 50 with 20 years service. Deferred annuities at age 60 (with exceptions) with minimum of five years service credit.

FORMULA: $2\% \times \text{high-three year average salary} \times \text{years of service credit}$. Disability retirement based on minimum of 20 years of service. Creditable service limited to 35 years, except for sick leave credit. 50% additional credit for service at unhealthful posts provided the participant did not receive a salary differential for such service.

REFUNDS: Upon resignation, refund of employee's contributions, usually with interest at least 3% per year. Upon selection out for those who do not qualify for an immediate annuity (a) gratuity of 1/12 of a years salary for each year of service and, (b) refund of employee's contribution.

CONTRIBUTIONS: 7% by both employer and employee. Employer also pays interest on unfunded liability and on annuity attributable to military service. Government also authorized to amortize unfunded liability created by new or liberalized benefits over 30 years, and to finance the balance of the normal cost not met by employee and employer contributions.

Sanitized Copy Approved for Release 2011/01/13 : CIA-RDP89-00066R000900050005-6

BASIC PROVISIONS

- Age 55 Retirement
- 1% accrual X years of service X high 3
- Supplemental Annuity from retirement to age 62
- Thrift Plan - Maximum 10% employee contribution with government matching one half up to 6% of employee contributions (Maximum gov't contribution 3%)
- Full COLA

AGENCY CSRS EMPLOYEES AGE 55 WITH 30 YEARS SERVICE

UNDER FORD/OAKAR

FINAL SALARY	<u>\$30,000</u>	<u>\$45,000</u>	<u>\$60,000</u>	<u>\$75,000</u>
--------------	-----------------	-----------------	-----------------	-----------------

REPLACEMENT RATE AT 55

Pension	28%	28%	28%	28%
Supplement	16%	12%	9%	8%
Total	44%	40%	37%	36%
Thrift Plan	14%	14%	14%	14%
Total *	58%	54%	51%	50%
Current CSRS	53%	53%	53%	53%

REPLACEMENT RATE AT 62

Pension	28%	28%	28%	28%
OASDI	17%	13%	10%	8%
Thrift Plan	14%	14%	14%	14%
Total	59%	55%	52%	50%

* Employee Contribution to Achieve Total:

Social Security	5.7%
Basic Pension Plan	1.3%
Thrift Plan	6.0%
TOTAL	13.0%

BASIC PROVISIONS

- Same as Roth/Stevens - Regular Civil Service
except add supplemental annuity from age 55 to 62

AGENCY CSRS EMPLOYEES AGE 55 WITH 30 YEARS SERVICE

FINAL SALARY	<u>\$30,000</u>	<u>\$45,000</u>	<u>\$60,000</u>	<u>\$75,000</u>
REPLACEMENT RATE AT 55				
Pension Plan	27%	27%	27%	27%
Supplement	16%	12%	9%	8%
Total	43%	39%	36%	35%
Thrift Plan	13%	13%	13%	13%
Total	56%	52%	49%	48%
Current CIARDS	53%	53%	53%	53%
REPLACEMENT RATE AT 62				
Pension Plan	24%	24%	24%	24%
OASDI	17%	13%	10%	8%
Thrift Plan	13%	13%	13%	13%
Total	54%	50%	47%	45%
* Employee Contribution to Achieve Total:				
Social Security	5.7%			
Basic Pension Plan	1.3%			
Thrift Plan	6.0%			
TOTAL	13.0%			

NOTE: AMENDMENT TO HR 2672 REQUIRED TO PROVIDE OPTION B TO CIA EMPLOYEES

ROTH/STEVENS REGULAR CIVIL SERVICE

OPTION B

BASIC PROVISIONS

- Age 55 Retirement
- .9% accrual (1st 15 years; 1.1% accrual (after 15 years) X years of service X high 5
- No supplemental annuity
- Thrift Plan - Maximum 10% employee contribution with government matching slightly less than one half up to 6% of employee contributions (Maximum gov't contribution 2.75%)
- Reduced COLA

AGENCY CSRS EMPLOYEES AGE 55 WITH 30 YEARS SERVICE

UNDER SENATE OPTION B

FINAL SALARY	<u>\$30,000</u>	<u>\$45,000</u>	<u>\$60,000</u>	<u>\$75,000</u>
REPLACEMENT RATE AT 55				
Pension	27%	27%	27%	27%
Supplement	0%	0%	0%	0%
Total	27%	27%	27%	27%
Thrift Plan	13%	13%	13%	13%
Total *	40%	40%	40%	40%
Current CSRS	53%	53%	53%	53%
REPLACEMENT RATE AT 62				
Pension	24%	24%	24%	24%
OASDI	17%	13%	10%	8%
Thrift Plan	13%	13%	13%	13%
Total	54%	50%	47%	45%
* Employee Contribution to Achieve Total:				
Social Security		5.7%		
Basic Pension Plan		1.3%		
Thrift Plan		<u>6.0%</u>		
TOTAL		13.0%		

NOTE: AMENDMENT TO HR 2672 REQUIRED TO PROVIDE OPTION B TO CIA EMPLOYEES

FORD/OAKAR REGULAR CIVIL SERVICE

BASIC PROVISIONS

- Age 55 Retirement
- 1% accrual X years of service X high 3
- Supplemental Annuity from retirement to age 62
- Thrift Plan - Maximum 10% employee contribution with government matching one half up to 6% of employee contributions (Maximum gov't contribution 3%)
- Full COLA

AGENCY CSRS EMPLOYEES AGE 55 WITH 30 YEARS SERVICE

UNDER FORD/OAKAR

FINAL SALARY	<u>\$30,000</u>	<u>\$45,000</u>	<u>\$60,000</u>	<u>\$75,000</u>
--------------	-----------------	-----------------	-----------------	-----------------

REPLACEMENT RATE AT 55

Pension	28%	28%	28%	28%
Supplement	16%	12%	9%	8%
Total	44%	40%	37%	36%
Thrift Plan	14%	14%	14%	14%
Total *	58%	54%	51%	50%
Current CSRS	53%	53%	53%	53%

REPLACEMENT RATE AT 62

Pension	28%	28%	28%	28%
OASDI	17%	13%	10%	8%
Thrift Plan	14%	14%	14%	14%
Total	59%	55%	52%	50%

* Employee Contribution to Achieve Total:

Social Security	5.7%
Basic Pension Plan	1.3%
Thrift Plan	<u>6.0%</u>
TOTAL	13.0%

OPTION B

BASIC PROVISIONS

- Age 55 Retirement
- .9% accrual (1st 15 years; 1.1% accrual (after 15 years) X years of service X high 5
- No supplemental annuity
- Thrift Plan - Maximum 10% employee contribution with government matching slightly less than one half up to 6% of employee contributions (Maximum gov't contribution 2.75%)
- Reduced COLA

AGENCY CSRS EMPLOYEES AGE 55 WITH 30 YEARS SERVICE

UNDER SENATE OPTION B

FINAL SALARY	<u>\$30,000</u>	<u>\$45,000</u>	<u>\$60,000</u>	<u>\$75,000</u>
--------------	-----------------	-----------------	-----------------	-----------------

REPLACEMENT RATE AT 55

Pension	27%	27%	27%	27%
Supplement	0%	0%	0%	0%
Total	27%	27%	27%	27%
Thrift Plan	13%	13%	13%	13%
Total *	40%	40%	40%	40%
Current CSRS	53%	53%	53%	53%

REPLACEMENT RATE AT 62

Pension	24%	24%	24%	24%
OASDI	17%	13%	10%	8%
Thrift Plan	13%	13%	13%	13%
Total	54%	50%	47%	45%

* Employee Contribution to Achieve Total:

Social Security	5.7%
Basic Pension Plan	1.3%
Thrift Plan	<u>6.0%</u>
TOTAL	13.0%

NOTE: AMENDMENT TO HR 2672 REQUIRED TO PROVIDE OPTION B TO CIA EMPLOYEES

BASIC PROVISIONS

- Same as Roth/Stevens - Regular Civil Service
except add supplemental annuity from age 55 to 62

AGENCY CSRS EMPLOYEES AGE 55 WITH 30 YEARS SERVICE

FINAL SALARY	<u>\$30,000</u>	<u>\$45,000</u>	<u>\$60,000</u>	<u>\$75,000</u>
REPLACEMENT RATE AT 55				
Pension Plan	27%	27%	27%	27%
Supplement	16%	12%	9%	8%
Total	43%	39%	36%	35%
Thrift Plan	13%	13%	13%	13%
Total	56%	52%	49%	48%
Current CIARDS	53%	53%	53%	53%
REPLACEMENT RATE AT 62				
Pension Plan	24%	24%	24%	24%
OASDI	17%	13%	10%	8%
Thrift Plan	13%	13%	13%	13%
Total	54%	50%	47%	45%
* Employee Contribution to Achieve Total:				
Social Security	5.7%			
Basic Pension Plan	1.3%			
Thrift Plan	6.0%			
TOTAL	13.0%			

NOTE: AMENDMENT TO HR 2672 REQUIRED TO PROVIDE OPTION B TO CIA EMPLOYEES

FORD/OAKAR-SPECIAL CATEGORIES

BASIC PROVISIONS

- Age 50 Retirement
- 1.7% Accrual (1st 20 years); 1.5% (after 20) X years of service X high 3
- Supplemental annuity from Retirement to age 62
- Thrift Plan - Maximum 10% employee contribution with government matching one half up to 6% of employee contribution (Maximum gov't contribution 3%)
- Full COLA

CIARDS EMPLOYEES RETIRING AT AGE 50 WITH 25 YEARS OF SERVICEUNDER SPECIAL CATEGORY PROVISIONS

FINAL SALARY	<u>\$30,000</u>	<u>\$45,000</u>	<u>\$60,000</u>	<u>\$75,000</u>
REPLACEMENT RATE AT 50				
Pension Plan	39%	39%	39%	39%
Supplement	14%	10%	8%	6%
Total	53%	49%	47%	45%
Thrift Plan	9%	9%	9%	9%
Total*	62%	58%	56%	54%
Current CIARDS	47%	47%	47%	47%
REPLACEMENT RATE AT 62				
Pension Plan	39%	39%	39%	39%
OASDI	15%	11%	9%	7%
Thrift Plan	9%	9%	9%	9%
Total	63%	59%	57%	55%

*Employee Contribution to Achieve Total:

Social Security	5.7%
Basic Pension Plan	1.8%
Thrift Plan	6.0%
TOTAL	13.5%

BASIC PROVISIONS

- Age 50 Retirement
- 1% Accrual X years of service X high 5
- Supplemental annuity from Retirement to age 62
- Thrift Plan - Maximum 10% employee contribution with government fully matching up to 5% of employee contribution (Maximum gov't contribution 5%)
- Reduced COLA

CIARDS EMPLOYEES RETIRING AT AGE 50 WITH 25 YEARS OF SERVICE

UNDER SPECIAL CATEGORY PROVISIONS

FINAL SALARY	<u>\$30,000</u>	<u>\$45,000</u>	<u>\$60,000</u>	<u>\$75,000</u>
REPLACEMENT RATE AT 50				
Pension Plan	22%	22%	22%	22%
Supplement	14%	10%	8%	6%
Total	36%	32%	30%	28%
Thrift Plan	10%	10%	10%	10%
Total*	46%	42%	40%	38%
Current CIARDS	47%	47%	47%	47%
REPLACEMENT RATE AT 62				
Pension Plan	16%	16%	16%	16%
OASDI	15%	11%	9%	7%
Thrift Plan	10%	10%	10%	10%
Total	41%	37%	35%	33%
*Employee Contribution to Achieve Total:				
Social Security		5.7%		
Thrift Plan		<u>5.0%</u>		
TOTAL		10.7%		

- Same as Roth/Stevens - Special Categories
except 1.3% accrual rate vice 1%

CIARDS EMPLOYEES RETIRING AT AGE 50 WITH 25 YEARS OF SERVICE

FINAL SALARY	<u>\$30,000</u>	<u>\$45,000</u>	<u>\$60,000</u>	<u>\$75,000</u>
REPLACEMENT RATE AT 50				
Pension Plan	28.6%	28.6%	28.6%	28.6%
Supplement	14%	10%	8%	6%
Total	42.6%	38.6%	36.6%	34.6%
Thrift Plan	10%	10%	10%	10%
Total	52.6%	48.6%	46.6%	44.6%
Current CIARDS	47%	47%	47%	47%
REPLACEMENT RATE AT 62				
Pension Plan	21%	21%	21%	21%
OASDI	15%	11%	9%	7%
Thrift Plan	10%	10%	10%	10%
Total	46%	42%	40%	38%

*Employee Contribution to Achieve Total:
Social Security 5.7%
Thrift Plan 5.0%
TOTAL 10.7%

FORD/OAKAR REGULAR CIVIL SERVICE

BASIC PROVISIONS

- ° Age 55 Retirement
- ° 1% accrual X years of service X high 3
- ° Supplemental Annuity from retirement to age 62
- ° Thrift Plan - Maximum 10% employee contribution with government matching one half up to 6% of employee contributions (Maximum gov't contribution 3%)
- ° Full COLA

AGENCY CSRS EMPLOYEES AGE 55 WITH 30 YEARS SERVICE

UNDER FORD/OAKAR

FINAL SALARY	<u>\$30,000</u>	<u>\$45,000</u>	<u>\$60,000</u>	<u>\$75,000</u>
REPLACEMENT RATE AT 55				
Pension	28%	28%	28%	28%
Supplement	16%	12%	9%	8%
Total	44%	40%	37%	36%
Thrift Plan	14%	14%	14%	14%
Total *	58%	54%	51%	50%
Current CSRS	53%	53%	53%	53%
REPLACEMENT RATE AT 62				
Pension	28%	28%	28%	28%
OASDI	17%	13%	10%	8%
Thrift Plan	14%	14%	14%	14%
Total	59%	55%	52%	50%
* Employee Contribution to Achieve Total:				
Social Security		5.7%		
Basic Pension Plan		1.3%		
Thrift Plan		6.0%		
TOTAL		13.0%		

ROTH/STEVENS REGULAR CIVIL SERVICE

OPTION B

BASIC PROVISIONS

- Age 55 Retirement
- .9% accrual (1st 15 years; 1.1% accrual (after 15 years) X years of service X high 5
- No supplemental annuity
- Thrift Plan - Maximum 10% employee contribution with government matching slightly less than one half up to 6% of employee contributions (Maximum gov't contribution 2.75%)
- Reduced COLA

AGENCY CSRS EMPLOYEES AGE 55 WITH 30 YEARS SERVICEUNDER SENATE OPTION B

FINAL SALARY	<u>\$30,000</u>	<u>\$45,000</u>	<u>\$60,000</u>	<u>\$75,000</u>
--------------	-----------------	-----------------	-----------------	-----------------

REPLACEMENT RATE AT 55

Pension	27%	27%	27%	27%
Supplement	0%	0%	0%	0%
Total	27%	27%	27%	27%
Thrift Plan	13%	13%	13%	13%
Total *	40%	40%	40%	40%
Current CSRS	53%	53%	53%	53%

REPLACEMENT RATE AT 62

Pension	24%	24%	24%	24%
OASDI	17%	13%	10%	8%
Thrift Plan	13%	13%	13%	13%
Total	54%	50%	47%	45%

* Employee Contribution to Achieve Total:

Social Security	5.7%
Basic Pension Plan	1.3%
Thrift Plan	<u>6.0%</u>
TOTAL	13.0%

NOTE: AMENDMENT TO HR 2672 REQUIRED TO PROVIDE OPTION B TO CIA EMPLOYEES

BASIC PROVISIONS

- Same as Roth/Stevens - Regular Civil Service
except add supplemental annuity from age 55 to 62

AGENCY CSRS EMPLOYEES AGE 55 WITH 30 YEARS SERVICE

FINAL SALARY	<u>\$30,000</u>	<u>\$45,000</u>	<u>\$60,000</u>	<u>\$75,000</u>
REPLACEMENT RATE AT 55				
Pension Plan	27%	27%	27%	27%
Supplement	16%	12%	9%	8%
Total	43%	39%	36%	35%
Thrift Plan	13%	13%	13%	13%
Total	56%	52%	49%	48%
Current CIARDS	53%	53%	53%	53%
REPLACEMENT RATE AT 62				
Pension Plan	24%	24%	24%	24%
OASDI	17%	13%	10%	8%
Thrift Plan	13%	13%	13%	13%
Total	54%	50%	47%	45%
* Employee Contribution to Achieve Total:				
Social Security	5.7%			
Basic Pension Plan	1.3%			
Thrift Plan	6.0%			
TOTAL	13.0%			

NOTE: AMENDMENT TO HR 2672 REQUIRED TO PROVIDE OPTION B TO CIA EMPLOYEES

BASIC PROVISIONS

- Age 50 Retirement
- 1.7% Accrual (1st 20 years); 1.5% (after 20) X years of service X high 3
- Supplemental annuity from Retirement to age 62
- Thrift Plan - Maximum 10% employee contribution with government matching one half up to 6% of employee contribution (Maximum gov't contribution 3%)
- Full COLA

CIARDS EMPLOYEES RETIRING AT AGE 50 WITH 25 YEARS OF SERVICE

UNDER SPECIAL CATEGORY PROVISIONS

FINAL SALARY	<u>\$30,000</u>	<u>\$45,000</u>	<u>\$60,000</u>	<u>\$75,000</u>
--------------	-----------------	-----------------	-----------------	-----------------

REPLACEMENT RATE AT 50

Pension Plan	39%	39%	39%	39%
Supplement	14%	10%	8%	6%
Total	53%	49%	47%	45%
Thrift Plan	9%	9%	9%	9%
Total*	62%	58%	56%	54%
Current CIARDS	47%	47%	47%	47%

REPLACEMENT RATE AT 62

Pension Plan	39%	39%	39%	39%
OASDI	15%	11%	9%	7%
Thrift Plan	9%	9%	9%	9%
Total	63%	59%	57%	55%

*Employee Contribution to Achieve Total:

Social Security	5.7%
Basic Pension Plan	1.8%
Thrift Plan	<u>6.0%</u>
TOTAL	13.5%

BASIC PROVISIONS

- Age 50 Retirement
- 1% Accrual X years of service X high 5
- Supplemental annuity from Retirement to age 62
- Thrift Plan - Maximum 10% employee contribution with government fully matching up to 5% of employee contribution (Maximum gov't contribution 5%)
- Reduced COLA

CIARDS EMPLOYEES RETIRING AT AGE 50 WITH 25 YEARS OF SERVICE

UNDER SPECIAL CATEGORY PROVISIONS

FINAL SALARY	<u>\$30,000</u>	<u>\$45,000</u>	<u>\$60,000</u>	<u>\$75,000</u>
REPLACEMENT RATE AT 50				
Pension Plan	22%	22%	22%	22%
Supplement	14%	10%	8%	6%
Total	36%	32%	30%	28%
Thrift Plan	10%	10%	10%	10%
Total*	46%	42%	40%	38%
Current CIARDS	47%	47%	47%	47%
REPLACEMENT RATE AT 62				
Pension Plan	16%	16%	16%	16%
OASDI	15%	11%	9%	7%
Thrift Plan	10%	10%	10%	10%
Total	41%	37%	35%	33%

*Employee Contribution to Achieve Total:
 Social Security 5.7%
 Thrift Plan 5.0%
 TOTAL 10.7%

- Same as Roth/Stevens - Special Categories
except 1.3% accrual rate vice 1%

CIARDS EMPLOYEES RETIRING AT AGE 50 WITH 25 YEARS OF SERVICE

FINAL SALARY	<u>\$30,000</u>	<u>\$45,000</u>	<u>\$60,000</u>	<u>\$75,000</u>
REPLACEMENT RATE AT 50				
Pension Plan	28.6%	28.6%	28.6%	28.6%
Supplement	14%	10%	8%	6%
Total	42.6%	38.6%	36.6%	34.6%
Thrift Plan	10%	10%	10%	10%
Total	52.6%	48.6%	46.6%	44.6%
Current CIARDS	47%	47%	47%	47%
REPLACEMENT RATE AT 62				
Pension Plan	21%	21%	21%	21%
OASDI	15%	11%	9%	7%
Thrift Plan	10%	10%	10%	10%
Total	46%	42%	40%	38%

*Employee Contribution to Achieve Total:
Social Security 5.7%
Thrift Plan 5.0%
TOTAL 10.7%

Cost

COST COMPARISONS BETWEEN AGENCY, FORD, AND ROTH/STEVENS PROPOSAL

	<u>Current CSRS</u>	<u>Agency CSRS Proposal</u>	<u>Roth/Stevens Proposal Post-1983</u>	<u>Ford/Oakar Post-1983</u>
TOTAL EMPLOYER COST	25%	25.7%	21.9%	25.5%

Cost

COST COMPARISONS BETWEEN AGENCY, FORD, AND ROTH/STEVENS PROPOSAL

	<u>Current CIARDS</u>	<u>CIARDS Original Agency Proposal</u>		<u>Current CSRS</u>	<u>CSRS Original Agency Proposal</u>	<u>Roth/Stevens Proposal Post-1983</u>	<u>Ford</u>
Total Employer Cost	41.0%	49.7%		25.0%	27.3%		
MINUS Thrift Plan	NA	- 2.0%		NA	- 1.4%		
MINUS 2 1/2% for Overseas Service		- 6.4%			- .2%		
TOTAL COST	41%	41.3%	Roth/ Stevens and Ford have not as yet provided any com- parable figures for special categories	25%	25.7%	21.9%	25.5%

Cost

COST COMPARISONS BETWEEN AGENCY, FORD, AND ROTH/STEVENS PROPOSAL

	<u>Current CIARDS</u>	<u>CIARDS Original Agency Proposal</u>		<u>Current CSRS</u>	<u>CSRS Original Agency Proposal</u>	<u>Roth/Stevens Proposal Post-1983</u>	<u>Ford</u>
Total Employer Cost	41.0%	49.7%		25.0%	27.3%		
MINUS Thrift Plan	NA	- 2.0%		NA	- 1.4%		
MINUS 2 1/2% for Overseas Service		- 6.4%			- .2%		
TOTAL COST	41%	41.3%	Roth/ Stevens and Ford have not as yet provided any com- parable figures for special categories	25%	25.7%	21.9%	25.5%

CONFIDENTIAL

STATISTICAL AND RELATED DATA

- Only 36% of CIA employees currently serving overseas have qualified for CIARDS; the remaining 64% are covered under the Civil Service Retirement System (CSRS).
- Only 18.6% of the staff is in CIARDS.
- Nearly two-thirds of the officers in our clandestine service presently have not qualified for CIARDS and are under the Civil Service Retirement System (CSRS).

- 25X1
- CIA has [] employees who have served abroad but have not yet qualified for CIARDS.
 - Nearly 50% of Agency employees bear the lifelong burden of cover; yet, a majority of those under cover are not qualified for CIARDS.

- 25X1
- []
 - Agency scientists and engineers are also going overseas in increasing numbers. More than [] high tech specialists serve in a highly sensitive project under the most primitive conditions. None have earned CIARDS membership.
 - Stresses for many other classes of Agency personnel are physically and emotionally demanding, and for whom the Agency traditionally fostered an early retirement--age 55. Examples: people handling munitions, trainees in paramilitary, weaponry, parachute jumping, photointerpreters who experience intense and constant eye strain, polygraph operators who are consistently faced with confrontational situations.

- 25X1
- Since the early 50s, [] Agency employees have died serving abroad. Only [] (28%) were CIARDS qualified.

- 25X1
- 25X1
- We have [] gold stars in our entry foyer honoring our colleagues who died from hostile action or while participating in highly dangerous Agency activities. Only [] (20%) were CIARDS qualified.

- One of the two most senior CIA officers slain in hostile action overseas was the director of a headquarters analytical office.
- After age 50, nearly 50% of all our employees are not eligible for full service medical clearance.
- Agency personnel are confronted with psychological stresses which over the long haul extract a health toll.
- Our employees suffer not only frequent family disruption, but also civil disorder, constant tension borne of awareness of the terrorist threat, and exceptionally high local crime rates.

CONFIDENTIAL

not Proposed

FORD/OAKAR REGULAR CIVIL SERVICE

BASIC PROVISIONS

- ° Age 55 Retirement
- ° 1% accrual X years of service X high 3
- ° Supplemental Annuity from retirement to age 62
- ° Thrift Plan - Maximum 10% employee contribution with government matching one half up to 6% of employee contributions (Maximum gov't contribution 3%)
- ° Full COLA

AGENCY CSRS EMPLOYEES AGE 55 WITH 30 YEARS SERVICEUNDER FORD/OAKAR

FINAL SALARY	<u>\$30,000</u>	<u>\$45,000</u>	<u>\$60,000</u>	<u>\$75,000</u>
REPLACEMENT RATE AT 55				
Pension	28%	28%	28%	28%
Supplement	16%	12%	9%	8%
Total	44%	40%	37%	36%
Thrift Plan	14%	14%	14%	14%
Total *	58%	54%	51%	50%
Current CSRS	53%	53%	53%	53%
REPLACEMENT RATE AT 62				
Pension	28%	28%	28%	28%
OASDI	17%	13%	10%	8%
Thrift Plan	14%	14%	14%	14%
Total	59%	55%	52%	50%

* Employee Contribution to Achieve Total:

Social Security	5.7%
Basic Pension Plan	1.3%
Thrift Plan	<u>6.0%</u>
TOTAL	13.0%

ROTH/STEVENS-SPECIAL CATEGORIES

BASIC PROVISIONS

- ° Age 50 Retirement
- ° 1% Accrual X years of service X high 5
- ° Supplemental annuity from Retirement to age 62
- ° Thrift Plan - Maximum 10% employee contribution with government fully matching up to 5% of employee contribution (Maximum gov't contribution 5%)
- ° Reduced COLA

CIARDS EMPLOYEES RETIRING AT AGE 50 WITH 25 YEARS OF SERVICEUNDER SPECIAL CATEGORY PROVISIONS

FINAL SALARY	<u>\$30,000</u>	<u>\$45,000</u>	<u>\$60,000</u>	<u>\$75,000</u>
--------------	-----------------	-----------------	-----------------	-----------------

REPLACEMENT RATE AT 50

Pension Plan	22%	22%	22%	22%
Supplement	14%	10%	8%	6%
Total	36%	32%	30%	28%
Thrift Plan	9%	9%	9%	9%
Total*	45%	41%	39%	37%
Current CIARDS	47%	47%	47%	47%

REPLACEMENT RATE AT 62

Pension Plan	16%	16%	16%	16%
OASDI	15%	11%	9%	7%
Thrift Plan	9%	9%	9%	9%
Total	40%	36%	34%	32%

*Employee Contribution to Achieve Total:

Social Security	5.7%
Thrift Plan	<u>5.0%</u>
TOTAL	10.7%

FORD/OAKAR-SPECIAL CATEGORIES

BASIC PROVISIONS

- ° Age 50 Retirement
- ° 1.7% Accrual (1st 20 years); 1.5% (after 20) X years of service X high 3
- ° Supplemental annuity from Retirement to age 62
- ° Thrift Plan - Maximum 10% employee contribution with government matching one half up to 6% of employee contribution (Maximum gov't contribution 3%)
- ° Full COLA

CIARDS EMPLOYEES RETIRING AT AGE 50 WITH 25 YEARS OF SERVICEUNDER SPECIAL CATEGORY PROVISIONS

FINAL SALARY	<u>\$30,000</u>	<u>\$45,000</u>	<u>\$60,000</u>	<u>\$75,000</u>
REPLACEMENT RATE AT 50				
Pension Plan	39%	39%	39%	39%
Supplement	14%	10%	8%	6%
Total	53%	49%	47%	45%
Thrift Plan	9%	9%	9%	9%
Total*	62%	58%	56%	54%
Current CIARDS	47%	47%	47%	47%
REPLACEMENT RATE AT 62				
Pension Plan	39%	39%	39%	39%
OASDI	15%	11%	9%	7%
Thrift Plan	9%	9%	9%	9%
Total	63%	59%	57%	55%

*Employee Contribution to Achieve Total:

Social Security	5.7%
Basic Pension Plan	1.8%
Thrift Plan	<u>6.0%</u>
TOTAL	13.5%

10/17/85

COST COMPARISONS BETWEEN AGENCY, FORD, AND ROTH/STEVENS PROPOSAL

	<u>Current CSRS</u>	<u>Agency CSRS Proposal</u>	<u>Roth/Stevens Proposal Post-1983</u>	<u>Ford/Oakar Post-1983</u>
TOTAL EMPLOYER COST	25%	25.7%	21.9%	25.5%